

EU-ARMENIA TWINNING PROJECT

Activity 3.6

*Follow-up on achievements and
recommendations for the future*

Labour Market Statistics

Yerevan, 12-15 June 2017





Mandatory result

Mandatory result MR4 related to this activity

Labour cost, labour cost index, structural statistics on wages calculated and published (July 2017)

Benchmarked by

- Labour cost and labour cost index calculated and published (July 2017)
- Structural statistics on wages calculated and published (July 2017)
- Staff of NSSRA trained on issues related to the labour cost, labour cost index, structural statistics on wages (July 2017)



Purpose and expected output of 3.6

Purpose

- To discuss the status regarding the component at the beginning of the project
- To discuss the status of the project results
- To prepare recommendations regarding the sustainability of the achievements
- To prepare recommendations for future work of NSSRA after the project finishes
- To identify outstanding issues and needs for further support, if any



Purpose and expected output of 3.6

Expected output

Mission report covering the following:

- Status of project results
- Sustainability of the achievements
- Recommendations for the future (short and long term)
- Identification of needs for additional support
- Outstanding issues



Status at the beginning of the project

- NSSRA did not collect earnings data on individual employees
- NSSRA had a monthly survey concerning wages on enterprise level
- NSSRA had an annual survey concerning labour costs on enterprise level
- NSSRA had limited contact with their users and stakeholders



Status of project results (SES)

- Thorough discussion of the regulation concerning Structure of Earnings Survey, which collects information about earnings on individual employees.
- Conducted a Pilot Structure of Earnings survey where the results will be published in June to show what possibilities a full scale survey can give.
- For the majority of the project NSSRA tried to get access to the State Revenue Committee of RA's database, as this would mean that individual data on a large scale could be used instead of the pilot survey. Currently it seems that the collaboration with State Revenue Committee is improving and NSSRA maybe soon will get access to data



Status of project results (LCS)

- Thorough discussion of the regulations concerning Labour Costs.
- The current annual labour cost survey were evaluated and it was concluded, that it is almost as according to EU-legislation. NSSRA has to look into a few variable to see if they are applicable for Armenia and a few suggestions to the questionnaire was made.
- For the collecting period NSSRA has expressed a desire to reduce the survey to only be conducted every 2nd or 3rd year, if they get access to the State Revenue Committee's database



Status of project results (LCI)

- NSSRA is currently working on calculating the Labour Cost Index and it will be published before the end of July.
- NSSRA has been trained using Demetra, so they can seasonally adjust the Labour Cost Index
- NSSRA has held several stakeholder meetings with a large number of participants. The participants have been active and came with questions and comments and recommendations every time.



Sustainability of the achievements (SES)

- NSSRA should still work on getting access to the State Revenue Committee's database, so they will not have to increase the burden by collecting the next structure of Earnings Survey themselves for the year 2018.
- In case access is not granted in time NSSRA has to start preparing collecting data themselves.
- When the next Structure of Earnings Survey is ready to be published it is important to make some event to make the users aware of this new statistic.



Sustainability of the achievements (LCI + LCS)

- NSSRA should work on making the Labour Cost Index on single economic activity as well as the current aggregated level. This will increase the value of the index and the possibility that the users will start to use this index.
- The Labour Cost Survey is already an integrated statistics in NSSRA. As NSSRA is planning on changing the frequency it is important to keep users informed about this change
- To keep on the cooperation between stakeholders and NSSRA it is recommended that NSSRA at least once a year has a stakeholders meeting with Labour Costs and Earnings as the theme



Recommendations for the future (short and long term) (SES)

- Produce a Structure of Earnings Survey at least every 4th year
- Work on getting access to the State Revenue Committee's database
- Depending on variables in the database and their quality NSSRA should consider maybe adding a questionnaire to complement the database
- If access is not granted NSSRA will have to develop their own questionnaire based on the experiences for the pilot study



Recommendations for the future (short and long term) (LCS + LCI)

- Continue publishing Labour Cost Survey at least every 4th year
- Considering the changes suggested to the questionnaire
- Add individual NACE sectors to the Labour Cost Index
- For all collected variable it is important to keep searching for administrative sources instead of collecting data by questionnaire
- Keep having stakeholders meeting to have a platform for constructive dialogue about the statistics



Identification of needs for additional support

- In case the NSSRA get access to the State Revenue Committee's database we believe that NSSRA would benefit from support from a country that like NSSRA are using administrative data for the structure of earnings survey.
- The support should focus on:
 - Validation
 - Imputations
 - Corrections
 - Handling data and constructing the requested variables based on the available variables



Outstanding issues

- At the time being the pilot SES will be published before the end of June 2017
- LCI will be published before the end of July 2017